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Wing's Investment In Moogsoft, And Data-First IT Operations

JULY 31, 2014 PETER WAGNER DATA

Our investment in Moogsoft was announced on July 31, and I'd like to share some perspective on it. This investment is entirely on-strategy for Wing in two ways, and off-strategy in one. First off, it is on-strategy in that Moogsoft is a prime example of a "Data-First" application, which is one of our core investment theses. In our definition, a Data-First application is both "data-driven", leveraging insight derived from sophisticated data analysis, as well as "data-driving", generating valuable "synthetic" data in the course of its usage. It is also important to note that Data-First applications are bona fide operational applications, used to execute key business processes. They are not BI tools, data processing engines or frameworks for data scientists. Moogsoft is a killer Data-First application in the world of IT Operations, which is a natural place to expect to see their early emergence. IT Op's is blessed with a rich array of relevant data sources, data-savvy users and enormously positive ROI from the utilization of data-driven approaches. Indeed, we see no other way for IT to meet the escalating challenges of the next decade other than the embrace of data-driven methods. As "software eats the world", more and more types of businesses from a variety of industries are motivated to adopt these methods, and are seeking out products like Moogsoft in order to compete. Wing has also invested in a number of complementary companies bringing data-driven approaches to IT Operations, including Jut and CloudPhysics. We think it is still early innings in this sector, and expect to see more interesting opportunities as the transformation unfolds.

Secondly, Moogsoft is entirely on-strategy for Wing due to the nature of the team. Phil Tee and the group he has assembled created the leading products of the prior generation. These products achieved massive deployment, and the companies behind them went public and led their markets. The Moogsoft team knows what it takes to build an independent public company, and they clearly have that objective this time around. Wing shares this goal and the long-term perspective it takes to achieve it. Our model revolves around a selective group of high-impact companies, to which we make deep commitments in a sustained drive to build enduring value.

Our commitment to Moogsoft is off-strategy in one notable way: this is a Series B investment we are leading. The Wing model focuses on leading or co-leading Series A investments. But as we studied the opportunity to help build a new Data-First application company in IT Operations from scratch, we realized that Moogsoft had already quietly built a multi-year lead. Fortunately there was still an opportunity for Wing to have a strong impact at Moogsoft. Much of the story is yet to be written, and we look forward to working with this talented team in bringing the next phase of the Data revolution to IT Operations!

- Peter Wagner

Read More About Moogsoft (http://wing.vc/companies/moogsoft)

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